March 17, 1998

Lawnie Mayhew
Harper Contracting, Inc.
8201 West 5400 South
P.O. Box 18400
Kearns, Utah 84118

Re: Acceptance of Revised Reclamation Surety Estimate, Permit Amendment, Harper Contracting,
        Inc. Parley's Canyon Quarry, M/035/012, Salt Lake County, Utah

Dear Mr. Mayhew:

The Division has reviewed the information received March 4, 1998, which was submitted to meet the requirements of the Division's February 5, 1998 conditional approval letter. The information was found to be complete and adequate. By way of this letter, the Division formally accepts the reclamation cost estimate of $46,200. Because the minor mine plan modification will result in an increase in the surety amount from $36,800 to $46,200 (@20%), this change in surety will need to be presented to our Board of Oil, Gas and Mining during its April 22, 1998.

We will prepare a short executive summary of the project amendment and seek the Board's concurrence on the amount and form of revised surety. We will need to have all of the appropriate revised surety information finalized and delivered to this office no later than April 3, 1998. We have enclosed a new Reclamation Contact agreement (FORM MR-RC) to be completed and submitted with the revised surety. It is our understanding that Harper will be amending their existing surety bond with a rider to reflect the new surety amount. If you wish to change the form of surety, please let us know so we can forward the appropriate forms to you as soon as possible.

Thank you for your cooperation during the permitting process. Please feel free to call me at (801) 538-5286 if I can be of further assistance.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosure: Form MR-RC
cc: Bryan Buck, JBR
        Mary Ann Wright, DOGM
m035012.let